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THE AGRICULTURAL SITUATION

A BRIEF SUMMARY OF ECONOMIC CONDITIONS

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS,
UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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August 1, 1926.

NOT A BUMPER CROP SEASON

This season continues one of backward and variable conditions in respect to the crops. Out of the uncertainties of regional drought, storms, and heat waves, begins to emerge the central fact that there is little likelihood of more than average major food or feed crops. The indications are for a corn crop probably somewhat below last year and below average. The same is true of hay and oats. The total wheat crop is apparently below average. Even potatoes, contrary to all the predictions of overproduction, were increased only 2 per cent in acreage this season and must do very well to make an average total crop. Latest forecasts on cotton, however, indicate a probable crop of more than 15 million bales, which might make the supplies burdensome.

Wheat, of course, dominates the current crop news. The harvest is now pushing into the north and movement of new grain to market is general. The movement of winter wheat has been notably heavy, transportation and storage facilities being strained to handle it. Present indications are that the spring wheat crop will be substantially less than last year and the same has been indicated by reports so far from Canada. On the other hand, our winter wheat crop has been estimated as exceeding last year's short crop by about 172 million bushels, which would bring our total wheat output some 100 million bushels above last year.

Stocks of old wheat in this country are less than a year ago. The European prospect is likewise inferior to last year. World supply and demand appear likely to be in fairly close balance. Apparently our wheat producers, as a whole, stand to make fully as large a gross income from the crop as last year.

This Bureau's survey of the 1926 lamb crop, just completed, indicates 10 per cent more lambs than in 1925. The actual increase was in the west, especially the Southwest; the East also bred more ewes than last year but did not save as large a proportion of lambs. This continued expansion in the sheep industry reflects the prosperity which it has enjoyed. It may also raise a question as to the probable limits to which sheep production can be increased with profit. Generally speaking, the livestock industries are in relatively strong position and may continue so for some time if production is not overdone.

One of the most significant effects of this season's developments is likely to be in the Corn Belt. A corn crop about average or slightly less will almost certainly be followed by a readjustment in the familiar balance between corn and hogs. If history repeats itself, pig production will be increased and the relative price effect next year will be in the direction of lower hogs and higher corn. It is precisely in such cases where future developments can be fairly well foreseen that farmers can exert somestabilizing influence upon production.

KEY REGIONS AT A GLANCE

THE EAST - Busy with haying, wheat harvest, etc. Hay crop rather better than expected in some sections but grass and pastures short as a whole. Dry and too cold much of last month, followed later by heat wave. Corn very backward, potatoes looking fair, fruit prospect good. Dairy situation generally considered favorable though feed is short. Many cows lost in anti-tuberculosis campaign.

THE SOUTH - General prospect for cotton crop fairly good though early season forecasts have been lowered by reason of backward weather, ravages of the hopper, poor fruiting, etc. Corn backward. Condition of minor crops fair except for certain drought areas in Carolinas and Georgia. Rice maturing and looking very well.

CORN BELT - Busy at oat harvest, haying, etc. Neither of those crops, turning out very well. Corn in tassel but condition is generally somewhat backward. Hurt by dry weather and heat in local sections of Iowa, Indiana, Illinois and elsewhere. Drought very serious in some sections like north-western Iowa. Plowing begun for fall grains.

WHEAT BELT - Winter wheat harvested with heavy yields in southern belt and grain moving rapidly to market. Plowing well started for fall sowing again with talk of a rather heavy acreage. Very dry and warm in north with spring wheat headed on short straw and suffering from hot winds, etc. General effect of this season is a good year for winter wheat men but not so good in spring wheat territory of the north.

RANGE COUNTY - Generally dry and hot the past month. Drought very serious in north. Conditions generally good in Colorado and southward. Ranges show effects of dry weather in some regions but high ranges still good and stock reported in very fair condition. The 1926 lamb crop in range States reported as 16 per cent larger than in 1925 with more ewe lambs kept for breeding.

PACIFIC COAST - Very dry in north with water supplies short, pasture short, forest fires frequent. Spring grain suffered considerably from heat and drought. Winter wheat mostly threshed. Harvest of earlier fruits in progress. Conditions generally rated as good in California.

THE TREND OF CROP PRODUCTION

| | 1913 Production | 5-Year Av. 1921-1925 Production | 1925 Production | 1926 July 1 Forecast |
|---------------------------|--------------------|---------------------------------------|--------------------|-------------------------|
| | Millions | Millions | Millions | Millions |
| Winter wheat, bu. | 523 | 549 | 396 | 568 |
| Spring wheat, bu. | 240 | 253 | 271 | 200 |
| All wheat, bu. | 763 | 802 | 667 | 768 |
| Corn, bu. | 2,447 | 2,849 | 2,905 | 2,661 |
| Oats, bu. | 1,122 | 1,327 | 1,512 | 1,334 |
| Flaxseed, bu. | 18 | 17.8 | 22 | 20 |
| Cotton, bales | 14.1 | 11.5 | 16.1 | 15.3* |
| Rice, bu. | 25.7 | 36 | 34 | 40 |
| Potatoes white, bu. | 332 | 396 | 326 | 334 |
| Sweet potatoes, bu. | 59 | 84 | 62 | 68 |
| Tobacco, lbs. | 954 | 1,288 | 1,365 | 1,139 |
| Hay, all, tons | 64 | 90 | 87 | 78 |
| Apples, total, bu. | 145 | 170 | 172 | 208 |
| Apples, commercial, bbls. | --- | 30.1 | 33 | 37.5 |
| Peaches, bu. | --- | 47 | 47 | 62 |

*Forecast as of July 16.

AVERAGE PRICES OF FARM PRODUCTS RECEIVED BY PRODUCERS

July 15, 1926.

Actual prices received by producers at local farm markets as reported to the Division of Crop and Livestock Estimates of this Bureau. Average of reports covering the United States, weighted according to relative importance of district and State.

| | 5-Yr. Av. Aug. 1909 July, 1914 | July Average 1910-1914 | July 1925 | June 1926 | July 1926 |
|---------------------------|--------------------------------------|------------------------------|--------------|--------------|--------------|
| Cotton, per lb. | ¢ 12.4 | 12.7 | 23.4 | 16.1 | 15.4 |
| Corn, per bu. | ¢ 64.2 | 70.1 | 104.4 | 68.6 | 71.5 |
| Wheat, per bu. | ¢ 88.4 | 86.2 | 140.3 | 138.9 | 127.7 |
| Hay, per ton. | \$ 11.87 | 11.78 | 12.48 | 12.98 | 12.96 |
| Potatoes, per bu. | ¢ 69.7 | 81.5 | 125.5 | 190.1 | 174.6 |
| Oats, per bu. | ¢ 39.9 | 40.9 | 45.3 | 38.9 | 37.7 |
| Beef cattle, per 100 lbs | \$ 5.22 | 5.33 | 6.55 | 6.56 | 6.46 |
| Hogs, per 100 lbs. | \$ 7.23 | 7.25 | 12.02 | 12.80 | 12.69 |
| Eggs, per dozen | ¢ 21.5 | 16.9 | 27.9 | 25.7 | 25.7 |
| Butter, per pound | ¢ 25.5 | 23.3 | 39.2 | 39.5 | 39.1 |
| Butterfat, per lb. | ¢ ---- | ---- | 40.5 | 39.3 | 38.6 |
| Wool, per lb. | ¢ 17.7 | 17.5 | 39.4 | 31.4 | 31.9 |
| Veal calves, per 100 lbs. | \$ 6.75 | 6.74 | 8.65 | 9.65 | 9.47 |
| Lambs, per 100 lbs. | \$ 5.91 | 6.09 | 11.71 | 12.07 | 11.52 |
| Horses | \$142.00 | 142.00 | 81.00 | 83.00 | 82.00 |

As the season advances the changes in prospective production of this year's crops cause changes in the prices of farm crops, while the "carry over" of the old crop is also an important price determining factor. From June 15 to July 15 the farm prices of cotton, cottonseed, oats, wheat and potatoes declined while corn, barley, rye and flaxseed increased slightly. The farm prices of all livestock and livestock products declined somewhat, with the exception of milk cows and wool which remained about the same as a month ago.

When the farm prices of July 15 are compared with similar prices a year ago, we find that, with the exception of hay and potatoes, prices of farm crops declined 8 or 9 per cent with flax seed and wheat to 31 per cent for corn and 34 per cent with cotton. The farm prices of beef cattle, lambs, sheep, butter and horses are at about the same levels as a year ago; hogs are 5 per cent higher, veal calves 9 per cent, chickens 10 per cent and milk cows 15 per cent above last year. The farm price of eggs is 11 per cent and wool 19 per cent lower than last year.

Relative Purchasing Power

(At June, 1926 Farm Prices)

Aug 1909 - July, 1914 = 100

Of a Unit of:

| In terms of: | <u>Cotton</u> | <u>Corn</u> | <u>Wheat</u> | <u>Hay</u> | <u>Potatoes</u> |
|------------------------|---------------|-------------|--------------|------------|-----------------|
| All commodities | 84 | 69 | 101 | 71 | 176 |
| Cloths, etc. | 73 | 60 | 88 | 61 | 153 |
| Fuel, etc. | 62 | 51 | 76 | 53 | 131 |
| Metals, etc. | 97 | 80 | 117 | 82 | 203 |
| Bldg. materials | 74 | 61 | 89 | 62 | 155 |
| House-furnishing goods | 78 | 64 | 94 | 65 | 163 |

| | <u>Beef cattle</u> | <u>Hogs</u> | <u>Eggs</u> | <u>Butter</u> | <u>Wool</u> |
|------------------------|--------------------|-------------|-------------|---------------|-------------|
| All commodities | 81 | 104 | 77 | 100 | 114 |
| Cloths, etc. | 71 | 99 | 67 | 87 | 99 |
| Fuel, etc. | 61 | 85 | 57 | 74 | 85 |
| Metals, etc. | 94 | 132 | 89 | 116 | 132 |
| Bldg. materials | 72 | 100 | 68 | 88 | 100 |
| House-furnishing goods | 75 | 106 | 71 | 93 | 106 |

There were no notable changes in the indicated exchange position of the leading farm products during June, except that potatoes scored some reduction. The general level of prices, both of farm products and of non-agricultural commodities, remained the same as in the previous month.

The general index of purchasing power of farm products in terms of non-agricultural commodities remained at 87, where it has stood practically for ten months.

PRICE INDEXES FOR JUNE, 1926

Farm products figures from this Bureau; commodity groups from Bureau of Labor Statistics, (latter shown to nearest whole number). Shows year ago, and latest available month:

Farm Products

(Prices at the farm Aug. 1909 - July, 1914 = 100)

| | <u>June</u> <u>1925</u> | <u>May</u> <u>1926</u> | <u>June</u> <u>1926</u> | <u>Month</u> <u>Trend</u> |
|-------------|----------------------------|---------------------------|----------------------------|------------------------------|
| Cotton | 185 | 129 | 130 | Higher |
| Corn | 173 | 105 | 107 | Higher |
| Wheat | 173 | 161 | 157 | Lower |
| Hay | 100 | 111 | 109 | Lower |
| Potatoes | 121 | 351 | 273 | Lower |
| Beef cattle | 124 | 126 | 126 | Unchanged |
| Hogs | 149 | 165 | 177 | Higher |
| Eggs | 121 | 117 | 120 | Higher |
| Butter | 150 | 157 | 155 | Lower |
| Wool | 201 | 180 | 176 | Lower |

Commodity Groups

(Wholesale Prices; 1910 - 1914 = 100) 1/-

| | <u>June</u> <u>1925</u> | <u>May</u> <u>1926</u> | <u>June</u> <u>1926</u> | <u>Month</u> <u>Trend</u> |
|-------------------------|----------------------------|---------------------------|----------------------------|------------------------------|
| Farm products | 155 | 144 | 144 | Unchanged |
| Food, etc. | 154 | 153 | 156 | Higher |
| Cloths & clothing | 192 | 180 | 178 | Lower |
| Fuel & lighting | 200 | 207 | 208 | Higher |
| Metal and met. products | 135 | 134 | 134 | Unchanged |
| Bldg. materials | 176 | 177 | 176 | Lower |
| Chemicals, etc. | 131 | 129 | 130 | Higher |
| House-furnishing goods | 176 | 168 | 167 | Lower |
| ALL COMMODITIES | 160 | 154 | 155 | Higher |

1/ Bureau of Labor Statistics index numbers converted to 1910-1914 base.

GENERAL BUSINESS INDICATORS
RELATED TO AGRICULTURE

| <u>PRODUCTION</u> | 1925 June | 1926 May | 1926 June | Month's Trend |
|--|--------------|-------------|--------------|------------------|
| Pig iron daily (Thou. tons) | 89 | 112 | 108 | Decrease |
| Bituminous coal (Million tons) | 37 | 39 | 42 | Increase |
| Automobiles shipped (Thou. carloads) | 46 | 60 | --- | ----- |
| <u>CONSUMPTION</u> | | | | |
| Cotton by mills (Thou. bales) | 494 | 517 | 519 | Increase |
| Unfilled orders Steel Corp. (Thou. T.) | 3,710 | 3,649 | 3,479 | Decrease |
| Building contracts (Millions dollars) | 466 | 462 | 471 | Increase |
| Hogs slaughtered (Thousands) | 2,298 | 1,872 | 2,087 | Increase |
| Cattle " " | 1,190 | 1,194 | 1,217 | Increase |
| Sheep " " | 908 | 885 | 998 | Increase |
| <u>MOVEMENTS</u> | | | | |
| Bank clearing (N.Y.) (Billion dollars) | 24 | 23 | 24 | Increase |
| Car loadings (Thousands) | 4,112 | 5,143 | 3,966 | Decrease |
| Mail order sales (Millions dollars) | 31 | 34 | | |
| Employees, N. Y. State Factories (Thou.) | 491 | 498 | 496 | Decrease |
| Av. price 25 indus. stocks (Dollars) | 144 | 147 | 156 | Increase |
| Interest rate (4-6 mo. paper, N. Y.) | 3.88 | 4.00 | 3.88 | Decrease |
| Retail Food price Index (Dept. Labor)* | 155 | 161 | 160 | Lower |
| Wholesale Price Index (Dept. Labor)* | 157 | 152 | 152 | Same |

The business situation apparently remains unchanged in any basic aspects. Some attention is being given to unfavorable developments in foreign countries, notably the French financial situation with possible reaction here. But the month has come and gone without material change in the position of domestic business. The general expression runs about to the effect that while things are slow in some lines (such as textiles) there is a job for everybody and the outlook reasonably good. There is nothing in industrial conditions as yet which would represent any new influence upon the agricultural situation.

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Data on this page, excepting livestock slaughter and price indexes, are from the "Survey of Current Business", Bureau of the Census, U. S. Department of Commerce.

* 1913 = 100

GENERAL TREND OF WAGES AND PRICES

1910-1914 = 100

| <u>Year and Month</u> | <u>General Wage Level</u> | <u>Farm Wages 2/</u> | <u>Retail Price of Food 1/</u> | <u>Wholesale Price of food 1/</u> | <u>Wholesale Price all Commodities</u> |
|-----------------------|---------------------------|----------------------|--------------------------------|-----------------------------------|--|
| | N.Y. factory workers | | | | Bureau of Labor Statistics |
| 1910 | --- | 97 | 96 | 100 | 103 |
| 1911 | --- | 97 | 95 | 96 | 95 |
| 1912 | --- | 101 | 101 | 103 | 101 |
| 1913 | --- | 104 | 103 | 99 | 102 |
| 1914 (June) | 100 | 101 | 106 | 101 | 100 |
| 1915 | 101 | 102 | 104 | 104 | 103 |
| 1916 | 114 | 112 | 117 | 120 | 129 |
| 1917 | 129 | 140 | 151 | 166 | 180 |
| 1918 | 160 | 176 | 174 | 187 | 198 |
| 1919 | 185 | 206 | 192 | 205 | 210 |
| 1920 | 222 | 239 | 210 | 218 | 230 |
| 1921 | 203 | 150 | 158 | 143 | 150 |
| 1922 | 197 | 146 | 146 | 137 | 152 |
| 1923 | 214 | 166 | 151 | 143 | 156 |
| 1924 | 218 | 166 | 150 | 143 | 152 |
| 1925 | 223 | 168 | 160 | 156 | 162 |
| <u>1925</u> | | | | | |
| January | 223 | 156 | 159 | 159 | 163 |
| February | 220 | --- | 156 | 156 | 164 |
| March | 224 | --- | 156 | 158 | 164 |
| April | 218 | 163 | 155 | 153 | 159 |
| May | 221 | --- | 156 | 152 | 158 |
| June | 220 | --- | 160 | 154 | 160 |
| July | 220 | 170 | 165 | 156 | 163 |
| August | 222 | --- | 165 | 158 | 163 |
| September | 223 | --- | 164 | 159 | 163 |
| October | 225 | 173 | 167 | 157 | 160 |
| November | 226 | --- | 172 | 159 | 160 |
| December | 229 | --- | 171 | 156 | 159 |
| <u>1926</u> | | | | | |
| January | 229 | 159 | 169 | 155 | 159 |
| February | 225 | --- | 166 | 152 | 158 |
| March | 229 | --- | 165 | 150 | 154 |
| April | 227 | 166 | 167 | 152 | 154 |
| May | 226 | --- | 166 | 153 | 154 |
| June | 228 | --- | 165 | 156 | 155 |

1/ Bureau of Labor Statistics index numbers converted to 1910-1914 base.

2/ Index based on both monthly and daily wages.

NEW INDEX OF GENERAL TREND OF PRICES
On Five-Year Base, August, 1909 - July, 1914 = 100

| Year and Month | Index numbers of farm prices | | | | | | | Wholesale Prices of Non-Agricultural Commodities 1/ | Relative power of Farmer's Product 2/ |
|----------------|------------------------------|-----------------------|--------------|--------------------------|-----------------------|--------------|---------------------|---|---------------------------------------|
| | Grains | Fruits and Vegetables | Meat Animals | Dairy & Poultry Products | Cotton and Cottonseed | Unclassified | All Groups 30 Items | | |
| 1910 | 104 | 91 | 103 | 101 | 113 | 102 | 103 | 102 | 101 |
| 1911 | 96 | 106 | 87 | 95 | 101 | 103 | 95 | 96 | 99 |
| 1912 | 106 | 110 | 95 | 103 | 87 | 106 | 99 | 100 | 99 |
| 1913 | 92 | 92 | 108 | 100 | 97 | 94 | 100 | 105 | 95 |
| 1914 | 103 | 100 | 112 | 101 | 85 | 95 | 102 | 97 | 105 |
| 1915 | 120 | 83 | 104 | 99 | 78 | 95 | 100 | 101 | 99 |
| 1916 | 126 | 123 | 120 | 106 | 119 | 100 | 117 | 138 | 85 |
| 1917 | 217 | 202 | 173 | 133 | 187 | 130 | 176 | 182 | 97 |
| 1918 | 226 | 162 | 202 | 160 | 245 | 157 | 200 | 188 | 107 |
| 1919 | 231 | 189 | 206 | 182 | 247 | 162 | 209 | 199 | 105 |
| 1920 | 231 | 249 | 173 | 197 | 248 | 152 | 205 | 241 | 85 |
| 1921 | 112 | 148 | 108 | 151 | 101 | 90 | 116 | 167 | 69 |
| 1922 | 106 | 152 | 113 | 135 | 156 | 94 | 124 | 168 | 74 |
| 1923 | 114 | 136 | 106 | 147 | 216 | 109 | 135 | 171 | 79 |
| 1924 | 129 | 124 | 109 | 137 | 211 | 100 | 134 | 162 | 83 |
| 1925 | 156 | 160 | 139 | 143 | 177 | 92 | 147 | 165 | 89 |
| 1925 | | | | | | | | | |
| Jan. | 172 | 122 | 123 | 154 | 182 | 94 | 146 | 165 | 88 |
| Feb. | 178 | 131 | 126 | 142 | 183 | 96 | 146 | 167 | 88 |
| Mar. | 172 | 138 | 145 | 134 | 195 | 94 | 151 | 165 | 91 |
| Apr. | 152 | 146 | 146 | 131 | 189 | 94 | 147 | 162 | 90 |
| May | 159 | 162 | 139 | 132 | 184 | 87 | 146 | 161 | 90 |
| June | 164 | 184 | 139 | 132 | 183 | 86 | 148 | 163 | 91 |
| July | 152 | 178 | 148 | 134 | 186 | 88 | 149 | 164 | 91 |
| Aug. | 157 | 178 | 149 | 139 | 186 | 96 | 152 | 164 | 93 |
| Sept. | 148 | 142 | 143 | 141 | 178 | 90 | 144 | 163 | 88 |
| Oct. | 135 | 152 | 141 | 154 | 171 | 90 | 143 | 164 | 87 |
| Nov. | 138 | 194 | 136 | 162 | 144 | 95 | 144 | 166 | 87 |
| Dec. | 140 | 194 | 136 | 163 | 139 | 92 | 143 | 165 | 87 |
| 1926 | | | | | | | | | |
| Jan. | 143 | 214 | 140 | 153 | 138 | 87 | 143 | 165 | 87 |
| Feb. | 140 | 218 | 146 | 144 | 142 | 87 | 143 | 164 | 87 |
| Mar. | 133 | 220 | 147 | 137 | 133 | 85 | 140 | 162 | 87 |
| Apr. | 131 | 253 | 146 | 133 | 135 | 83 | 140 | 160 | 88 |
| May | 131 | 240 | 148 | 131 | 130 | 82 | 139 | 160 | 87 |
| June | 130 | 216 | 154 | 130 | 132 | 81 | 139 | 160 | 87 |

1/ Computed by Bureau of Labor Statistics from wholesale prices of all commodities except those from United States farms. 1910-1914 = 100. 2/ The value of a unit of the farmer's product in exchange for non-agricultural products at wholesale prices, compared with pre-war values. Obtained by dividing index of all groups (30 items) by the index of the wholesale prices of non-agricultural products.

THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, sheep receipts at primary markets; butter receipts at five markets, compiled by this bureau. All figures given to nearest thousand, that is, three ciphers omitted.

| Month | WHEAT | CORN | HOGS | CATTLE | SHEEP | BUTTER |
|------------|---------------------|---------------------|-----------------------|-----------------------|-----------------------|----------------------|
| | Receipts Th. bu. | Receipts Th. bu. | Receipts Thousands | Receipts Thousands | Receipts Thousands | Receipts Th. lbs. |
| 1920 Total | 332,314 | 210,332 | 42,121 | 22,197 | 23,538 | 402,755 |
| 1921 " | 435,606 | 340,908 | 41,101 | 19,787 | 24,168 | 468,150 |
| 1922 " | 413,106 | 378,598 | 44,068 | 23,218 | 22,364 | 526,714 |
| 1923 " | 386,430 | 271,858 | 55,330 | 23,211 | 22,025 | 545,380 |
| 1924 " | 482,007 | 278,719 | 55,414 | 23,695 | 22,201 | 587,477 |
| 1925 " | 346,381 | 223,604 | 43,929 | 24,067 | 22,100 | 574,489 |
| 1920 June | 19,458 | 24,788 | 3,709 | 1,879 | 1,640 | 57,504 |
| 1921 " | 28,480 | 34,463 | 3,579 | 1,580 | 1,850 | 64,905 |
| 1922 " | 18,402 | 35,281 | 3,776 | 1,759 | 1,700 | 78,361 |
| 1923 " | 18,217 | 14,610 | 4,204 | 1,629 | 1,426 | 75,970 |
| 1924 " | 16,877 | 17,392 | 4,296 | 1,673 | 1,550 | 77,487 |
| 1925 Jan. | 23,247 | 35,820 | 6,105 | 1,869 | 1,467 | 37,781 |
| " Feb. | 18,493 | 20,833 | 4,558 | 1,530 | 1,388 | 35,181 |
| " Mar. | 16,925 | 23,868 | 3,528 | 1,860 | 1,504 | 40,725 |
| " Apr. | 10,023 | 9,810 | 3,247 | 1,827 | 1,541 | 42,141 |
| " May. | 17,896 | 11,935 | 3,283 | 1,737 | 1,689 | 56,838 |
| " June | 20,465 | 17,381 | 3,507 | 1,746 | 1,603 | 74,171 |
| " July | 37,919 | 9,662 | 2,798 | 1,970 | 1,699 | 69,970 |
| " Aug. | 41,928 | 17,488 | 2,549 | 2,245 | 2,064 | 57,556 |
| " Sept. | 57,756 | 12,889 | 2,741 | 2,157 | 2,627 | 45,005 |
| " Oct. | 34,111 | 12,187 | 3,390 | 2,789 | 3,198 | 43,467 |
| " Nov. | 33,948 | 19,144 | 3,844 | 2,282 | 1,712 | 35,455 |
| " Dec. | 33,670 | 32,587 | 4,380 | 2,056 | 1,608 | 36,199 |
| 1926 Jan. | 19,076 | 28,268 | 4,304 | 1,840 | 1,548 | 39,424 |
| " Feb. | 15,923 | 25,718 | 3,372 | 1,551 | 1,486 | 39,507 |
| " Mar. | 15,052 | 20,080 | 3,579 | 1,811 | 1,695 | 46,077 |
| " Apr. | 13,458 | 12,589 | 3,135 | 1,711 | 1,502 | 45,501 |
| " May | 15,260 | 11,972 | 3,037 | 1,894 | 1,717 | 54,464 |
| " June | 18,505 | 23,912 | 3,143 | 1,871 | 1,913 | 75,931 |

Movement of new wheat and old corn increasing during June.

Market receipts of hogs continued light; cattle and butter somewhat above last year; sheep and lamb movement notably increasing.

THE TREND OF EXPORT MOVEMENT

Compiled from the Department of Commerce reports by Division of Statistical Research of this Bureau.

| Month | WHEAT 1/ including flour | TOBACCO | BACON** HAMS AND SHOULDERS | LARD | TOTAL* MEATS | COTTON# running bales |
|--------------|--------------------------------|-----------------|----------------------------------|-----------------|-----------------|-----------------------------|
| | 1,000 Bushels | 1,000 Pounds | 1,000 Pounds | 1,000 Pounds | 1,000 Pounds | 1,000 Bales |
| 1920 Total | 311,601 | 467,662 | 821,922 | 612,250 | 1,043,500 | 6,111 |
| 1921 " | 359,021 | 515,353 | 647,680 | 868,942 | 786,280 | 6,385 |
| 1922 " | 235,307 | 430,908 | 631,452 | 766,950 | 733,832 | 6,015 |
| 1923 " | 175,190 | 474,500 | 828,890 | 1,035,382 | 958,472 | 5,224 |
| 1924 " | 241,454 | 546,555 | 637,960 | 944,095 | 729,832 | 6,653 |
| 1925 " | 138,786 | 468,469 | 467,459 | 688,829 | 547,361 | 8,362 |
| 1920 June | 22,150 | 28,063 | 82,008 | 45,070 | 112,134 | 238 |
| 1921 " | 32,486 | 47,328 | 53,549 | 67,656 | 63,085 | 489 |
| 1922 " | 18,387 | 30,324 | 55,621 | 57,249 | 64,124 | 478 |
| 1923 " | 13,042 | 49,730 | 59,473 | 64,605 | 68,799 | 213 |
| 1924 " | 10,492 | 52,614 | 44,145 | 59,475 | 49,773 | 218 |
| 1925 January | 13,126 | 35,448 | 56,169 | 78,440 | 55,705 | 1,052 |
| " February | 11,800 | 23,806 | 48,041 | 60,363 | 55,433 | 792 |
| " March | 16,480 | 32,477 | 53,853 | 63,281 | 62,158 | 708 |
| " April | 12,912 | 30,519 | 33,413 | 44,447 | 39,303 | 440 |
| " May | 13,114 | 22,415 | 33,475 | 71,135 | 38,977 | 314 |
| " June | 10,922 | 27,460 | 39,690 | 59,799 | 45,398 | 211 |
| " July | 8,932 | 39,037 | 35,472 | 49,414 | 40,990 | 198 |
| " August | 12,007 | 34,890 | 31,770 | 45,740 | 38,250 | 313 |
| " September | 13,152 | 50,677 | 32,900 | 62,646 | 40,230 | 750 |
| " October | 9,113 | 52,211 | 30,706 | 44,745 | 37,071 | 1,414 |
| " November | 8,796 | 51,154 | 31,693 | 39,979 | 37,304 | 1,196 |
| " December | 8,437 | 68,375 | 40,277 | 68,840 | 46,537 | 974 |
| 1926 January | 5,587 | 46,891 | 46,654 | 76,670 | 53,833 | 735 |
| " February | 4,742 | 47,147 | 37,187 | 65,356 | 45,292 | 545 |
| " March | 7,039 | 36,167 | 34,133 | 64,259 | 40,641 | 512 |
| " April | 6,452 | 43,388 | 31,410 | 63,160 | 37,947 | 506 |
| " May | 12,558 | 27,431 | 30,104 | 58,154 | 35,197 | 412 |
| " June | 11,210 | 30,762 | 23,861 | 56,482 | 29,959 | 339 |

* Includes fresh, canned and pickled beef, bacon, hams and shoulders; fresh, canned, and pickled pork; fresh mutton and lamb.

** Includes Cumberland and Wiltshire sides.

Excludes linters.

1/ Wheat flour is converted on a basis of 4.7 bushels grain equal 1 barrel of flour.

COLD STORAGE SITUATION

July 1 holdings (Shows nearest million, six figures omitted):

| <u>Commodity</u> | <u>5-Year Average</u> | <u>Year Ago</u> | <u>Month Ago</u> | <u>July 1, 1926.</u> |
|-----------------------|-----------------------|-----------------|------------------|----------------------|
| Creamery butter, lbs. | 66 | 64 | 31 | 87 |
| American cheese, lbs. | 39 | 46 | 39 | 54 |
| Case eggs, cases | 9,147* | 9,482* | 7,236* | 9,127* |
| Total poultry, lbs. | 41 | 59 | 43 | 37 |
| Total beef, lbs. | 65 | 61 | 53 | 48 |
| Total pork, lbs. | 805 | 739 | 574 | 600 |
| Lard, lbs. | 156 | 146 | 107 | 121 |
| Lamb & mutton, lbs. | 4,088* | 1,535* | 1,697* | 1,874* |
| Total meats, lbs. | 946 | 878 | 677 | 703 |

Dairy products moved into storage in volume during June as is usual.

Eggs also moved into storage at slightly faster rate than average, though stocks in storage now just about average.

Stocks of pork products increased during month as is normal but stocks are 200 million pounds below average. All meat supplies in storage are relatively light.

* Thousands, or three figures omitted.

THE DAIRY SITUATION

Production of dairy products during July continued heavy but, in contrast to conditions prevailing a month earlier, was not equal to the output of the corresponding month of last year. During the early part of June, milk production had picked up, despite the setback in May, and was bidding fair to reach a fair sized increase over the flush of 1925, but later in the month the dropping off of butter and cheese receipts at important markets was evidence that production was shrinking and that previous estimates must be discounted. A combination of hot weather and flies in many sections, together with the fact that pastures were already drying up, added in making for unfavorable conditions, which for the most part continued well into July.

Some idea as to the effect of the hot, dry weather is gained by reference to arrivals of butter at wholesale markets. As already noted, the amount of June increase which had earlier been anticipated did not fully materialize, as the actual increase over June of last year was less than 3 per cent. July receipts will probably show some decrease under last year, so that the flush season to date is running in actual volume about the same as 1925. This is significant when the seasonal movement earlier in 1926 is noted, but perhaps more so when the upward trend during the flush season over a period of years is taken into consideration.

In other respects, the butter situation is also of unusual interest. Storage holdings, for example, were 86,900,000 pounds on July 1, which amount is 23,000,000 pounds greater than the July 1 stocks of a year ago, and 20,000,000 pounds above the July 1 five-year average. Daily and weekly reports from a large number of important storage centers indicate that the July increase will exceed that of July, 1925, so that the outlook is for very heavy holdings on August 1. The average July increase during the past five years has been 40,000,000 pounds. This storage situation has two aspects. The heavy increases in storage holdings which have continued to occur in the face of a decreasing production would seem to indicate that consumption is not as great as last year. On the other hand, the heavier storage holdings would be needed to take care of the usual fall and winter demand if production should be light during the remainder of the summer. Incidentally, July prices did not follow the usual tendency, being slightly lower than June, rather than higher, and in this respect were favorable for storing. Quality, however, was not so good on account of hot weather difficulties encountered in manufacturing.

The same conditions which were of influence in the butter situation were also responsible for changes in other dairy markets. Fluid milk price advances were not general, but did occur in certain of the important eastern sections. Condensery prices were practically unchanged, but the heavy stocks in manufacturers' hands on July 1 were an outstanding feature. Here again, however, these heavy stocks may be needed to fill a heavy hot weather demand later, particularly so if, because of lighter milk production or relatively higher prices for other dairy products, condensery production should be curtailed.

DAIRY SITUATION
(Thousands lbs., i.e., 000 omitted)
BUTTER SUMMARY

| | JUNE | | | JANUARY TO JUNE, INCL. | | |
|------------------|-------------------|-------------------|----------|------------------------|---------------------|----------|
| | 1926 | 1925 | % Change | 1926 | 1925 | % Change |
| Production (1) | | | | | | |
| Creamery | 168,129 | 164,253 | + 2.4 | 673,386 | 676,395 | - 0.5 |
| Farm | 74,298 | 75,579 | - 1.7 | 289,536 | 294,528 | - 1.7 |
| Total butter | 242,427 | 239,832 | + 1.1 | 962,922 | 970,923 | - 0.8 |
| Net imports | 257 ^{ex} | 133 ^{im} | -- | 70 ^{im} | 1,779 ^{im} | --- |
| In storage (1st) | 30,561 | 13,036 | -- | 52,785 | 65,694 | --- |
| In storage (end) | 86,936 | 63,687 | -- | 86,936 | 63,687 | --- |
| Trade output | 185,795 | 189,314 | - 1.9 | 928,841 | 974,709 | - 4.7 |
| Milk equivalent | 3,901,695 | 3,975,594 | - 1.9 | 19,505,661 | 20,468,889 | - 4.7 |
| Receipts 4 mkts | 87,072 | 85,176 | + 2.2 | 342,861 | 325,961 | + 5.2 |

CHEESE SUMMARY

| | | | | | | |
|--------------------------------|---------|---------|-------|-----------|-----------|-------|
| Production (2) | 56,217 | 57,956 | - 3.0 | 217,256 | 209,124 | + 3.9 |
| Net imports | 5,647 | 5,482 | -- | 26,440 | 21,333 | --- |
| In storage (1st) | 52,167 | 42,888 | -- | 76,649 | 67,558 | --- |
| In storage (end) | 68,646 | 61,992 | --- | 68,646 | 61,992 | --- |
| Trade output | 45,385 | 44,334 | + 2.4 | 251,699 | 236,023 | + 6.6 |
| Milk equivalent | 453,850 | 443,340 | + 2.4 | 2,516,990 | 2,360,230 | + 6.6 |
| Rec'ts Wisconsin warehouses | 35,218 | 36,301 | - 3.0 | 136,991 | 131,422 | + 4.2 |

CONDENSED AND EVAPORATED MILK SUMMARY

| | | | | | | |
|-------------------------|----------|---------|--------|-----------|-----------|-------|
| Production (3) | 229,441 | 218,100 | + 5.2 | 899,680 | 950,066 | - 5.3 |
| Net exports | - 10,802 | 18,076 | -- | 61,973 | 70,683 | --- |
| In Mfgs' hands (1st) | 153,710 | 191,722 | -- | 156,272 | 123,428 | --- |
| In Mfgs' hands (end) | 228,045 | 186,626 | -- | 228,045 | 186,626 | --- |
| Trade output | 144,304 | 205,120 | - 29.7 | 765,934 | 816,185 | - 6.2 |
| Milk equivalent | 360,760 | 512,800 | - 29.7 | 1,914,835 | 2,040,462 | - 6.2 |

TOTAL MILK EQUIVALENT - BUTTER, CHEESE AND CONDENSED MILK

| | | | | | | |
|--------------|-----------|-----------|-------|------------|------------|-------|
| Production | 6,226,740 | 6,161,282 | + 1.1 | 24,643,122 | 24,855,788 | - 0.9 |
| Trade output | 4,716,305 | 4,931,734 | - 4.4 | 23,937,486 | 24,869,581 | - 3.8 |

DRY MILK

| | | | | | | |
|--------------------------|--------|--------|--|--------------|--------------|--|
| Skim milk (Stock July 1) | 9,955 | 5,323 | | 1/1/26 4,399 | 1/1/25 6,735 | |
| Dry milk (net) | 446 im | 689 im | | 1,293 im, | 233 im | |

- (1) Estimated from Receipts on 4 principal markets.
(2) Estimated from Receipts at Wisconsin Warehouses.
(3) Compiled from special reports to this Bureau.

THE EGG AND POULTRY SITUATION

A generally unsatisfactory condition for this time of year continues to characterize the egg market. Egg prices have showed no significant change during the month. They are several cents a dozen below last year, and so far there has been no indication of any sustained advance such as normally occurs at this season.

While production, as measured by market receipts, is decreasing it has been running slightly heavier than last year during the month of July and heavier than generally anticipated. In addition, consumptive demand has been none too active and as a consequence a part of the receipts arriving have continued to find their way into cold storage. This has had the effect of still further reducing the difference between storage holdings of shell eggs this year as compared with last year and it appears that holdings on August 1 will be closer to those of a year ago than was the case on June 1. The considerable excess over a year ago in holdings of frozen eggs must also be kept in mind with respect to the storage situation.

Quality has held up remarkably well for this time of the year but, of course, the effects of heat are now being felt and really fine eggs are rather scarce and are finding a more ready sale than eggs of the lower qualities. There is a well developed sentiment throughout the trade that egg prices around present levels are desirable in order to secure an increased consumption and prevent accumulation of burdensome stocks.

Receipts of dressed broilers and fryers have been increasing with demand insufficient to absorb the increased supplies at prevailing prices. As a result the market weakened and prices declined to a point which was thought safe for storing when a speculative demand developed and checked the decline. Dressed fowls have also been in more liberal supply with prices lower and with a considerable part of the surplus receipts going into storage. The larger sizes have been in better demand and have not shown as much weakness as the smaller sizes. The supply of frozen poultry is relatively low but trade is dull. The small remaining stocks of some classes are quite firmly held but there is a disposition to push the sale of others at lower prices.

The live poultry market has been irregular with a definite tendency for prices to work lower as the month advanced. The demand has varied widely, the recurring periods of hot weather acting as a detriment to trade.

Rob. R. Slocum,
Division of Dairy and Poultry Products, B.A.E.

POULTRY AND EGG SITUATION

(Thousands, i.e. 000 omitted)

Stocks in Storage - July 1, 1926. United States

| | Shell eggs (Cases) | Frozen eggs (Pounds) | Dressed Poultry (Pounds) |
|------------------------|-----------------------|-------------------------|-----------------------------|
| 1926 | 9,127 | 45,075 | 36,986 |
| 1925 | 9,482 | 38,379 | 58,562 |
| Change | - 355 | + 6,696 | - 21,576 |
| Per cent | - 3.7 | + 17.4 | - 36.8 |
| % change from 5-yr av. | - .2 | + 47.4 | - 9.6 |

Imports and Exports of Poultry and Eggs Jan. 1 - June 30, 1926.

| | I m ports | | Exports | |
|--|-----------|-------|-----------|-----------|
| | 1926 | 1925 | 1926 | 1925 |
| Shell eggs (dozens) | 128 | 461 | 16,416 | 13,483 |
| Whole eggs, dried (Lbs.) | 255 | 345 | | |
| Whole eggs, frozen (Lbs.) | 3,811 | 3,695 | | |
| Yolks, dried (Lbs.) | 1,017 | 696 | (1) 281 | (1) 157 |
| Yolks, frozen (Lbs.) | 1,618 | 1,757 | | |
| Egg albumen, dried (Lbs.) | 1,055 | 800 | | |
| Egg albumen, frozen, prepared or preserved (Lbs.) | 1,537 | 745 | | |
| Live poultry (Lbs.) | 225 | 71 | 336 | 387 |
| Dressed poultry (Lbs.) | 2,108 | 783 | (2) 2,934 | (2) 4,647 |
| Poultry prepared in any manner (Lbs.) | 274 | 255 | - | - |

(1) Includes all forms of frozen and dried eggs.

(2) Includes game.

Receipts and Apparent Trade Output at Four Markets - Eggs (Cases)

| | June | | | Jan. 1 - June 30 | | |
|----------|----------|-------------------------|----------------------|------------------|-------------------------|----------------------|
| | Receipts | Net Storage Movement | App. Trade Output | Receipts | Net Storage Movement | App. Trade Output |
| 1926 | 1,938 | + 895 | 1,043 | 9,676 | + 2,512 | 7,164 |
| 1925 | 1,947 | + 803 | 1,144 | 10,014 | + 2,951 | 7,063 |
| Change | - 9 | | - 101 | - 338 | | + 101 |
| Per cent | - .5 | | - 8.8 | - 3.4 | | + 1.4 |

Receipts and Apparent Trade Output at Four Markets - Dressed Poultry- (Lbs.)

| | June | | | Jan. 1 - June 30 | | |
|----------|----------|-------------------------|----------------------|------------------|-------------------------|----------------------|
| | Receipts | Net Storage Movement | App. Trade Output | Receipts | Net Storage Movement | App. Trade Output |
| 1926 | 21,099 | - 5,130 | 26,229 | 113,321 | - 48,183 | 161,504 |
| 1925 | 17,487 | - 6,117 | 23,604 | 108,992 | - 48,602 | 157,594 |
| Change | + 3,612 | | + 2,625 | + 4,329 | | + 3,910 |
| Per cent | + 20.7 | | + 11.1 | + 4.0 | | + 2.5 |

THE GRAIN MARKET SITUATION

Wheat

Prospects of smaller spring wheat crops in both the United States and Canada, and of some reduction in wheat crop in the principal European countries, together with indications of light world stocks of wheat at the beginning of the new crop year, advanced wheat prices sharply during the first half of July. A falling off in export buying as a result of the advance in price, however, caused some reaction in the market and while the general market situation is relatively firm, a large part of the price advance was lost.

A spring wheat crop about 71,000,000 bushels smaller than last year was indicated by the July 1 condition, which was 64.8 per cent of normal. The Canadian spring wheat crop was officially estimated July 1 at about 349,000,000 bushels, or about 63,000,000 bushels less than was produced last year. The winter wheat crop in the United States improved during June and a production of 568,000,000 bushels was indicated by the July estimate. This exceeds the short 1925 crop by about 172,000,000 bushels and indicates a total United States crop of winter and spring wheat about 100,000,000 bushels larger than last year.

Condition reports from important European wheat producing countries indicate that the crop in those countries will be less than last year and it seems probable that the increase in the United States crop may be offset by the reduction in European crops.

Commercial stocks of wheat at the 1st of July were materially smaller than last year. Stocks in the United States on July 1, including those on farms, in country mills and elevators and in the principal trade channels totaled a little over 60,000,000 bushels compared with nearly 84,000,000 bushels last year and about 106,000,000 bushels 2 years ago.

The large Canadian wheat crop last year has passed rapidly into consuming channels, exports for the first 11 months of the crop year amounting to 304,000,000 bushels, the amount available for export and carry over during the remainder of the crop year being estimated at about 34,000,000 bushels. Since the late opening of navigation this year the movement has been very rapid and

exports during June were considerably in excess of the same period last year. Should the July exports be equal to those of last year, there would be a carry over into the new crop year in Canada of between 15,000,000 and 20,000,000 bushels compared with 26,000,000 bushels reported at the 1st of August, 1925. About 43,500,000 bushels were still available for export in Argentina at the 1st of July and nearly 10,000,000 bushels in Australia, making the total amount available for export and carry over in the important exporting countries of Canada, Argentina and Australia about 20,000,000 to 25,000,000 bushels smaller than last year. While no official estimates are available, trade reports indicate that wheat stocks in Europe are low, but at the 1st of July about 49,000,000 bushels were on ocean passage to the consuming markets compared with about 42,000,000 bushels July 1, 1925.

Because of the close adjustment between available supply and the market requirements this year, the developments of the United States and Canadian spring wheat crops will be a very important factor in the wheat market situation during the next 30 days. Further deterioration has occurred in the spring Wheat Belt in the United States since the 1st of July. Rainfall has been mostly of local character and many places received only light amounts. Hot drying winds were very injurious in Montana but some general improvement took place during the month in North and South Dakota and in Minnesota.

The new crop of winter wheat has been moving to market in large quantities and mills have been very active buyers. North-western mills took larger amounts of high grade milling wheat from Kansas and local and interior mills were also in the market. Export demand was rather active when the movement of the new crop began but bids were mostly out of line and very few sales were made at the higher price level reached about the middle of the month. The light exports from the United States were offset by the heavier movement from Canada and a relatively large movement from Argentina and Australia.

Rye

The rye market has made a sharp advance in price, largely as a result of continued unfavorable crop prospects. Higher wheat prices, however, have also been a strengthening factor. Harvesting began during the week ending July 17 in Wisconsin and the crop is now ready for cutting in many sections of the Northwest. Because of the poor condition in the Northwestern States many fields

are not expected to be cut. For the United States as a whole the condition of the crop July 1 was estimated at 66.7 per cent of normal, which would indicate a production of about 39,660,000 bushels. The indicated yield is the lowest on record since 1866 with the exception of the years 1885 to 1887. Notwithstanding the prospective short crop, however, the rye market will depend materially upon the foreign supply.

With definite information on the German rye crop lacking, the outturn of the world crop is still very uncertain. Germany is the world's largest producer outside of Russia and, with Poland, produces half of the world crop outside of Russia. Conditions in Germany are above average although not so good as last year, and abandonment of the winter rye crop this year was considerably greater than that of last season. Unless these factors should be offset by increased acreage, it seems likely that the German crop will be below that of last year. Poland forecasts production for this year at 200,776,000 bushels, or nearly 67,000,000 bushels below last year's crop. Increases in production are reported in some of the minor producing countries but these are not sufficient to offset the decreases reported in others.

Corn

Prospects of smaller crops of feed grains had a strengthening influence on the market for these grains and prices advanced materially during the fore part of July.

A corn crop about 8 per cent smaller than last year was indicated by the July 1 condition, which was 77.9 per cent of normal. The condition of the barley crop was the lowest on July 1 in 15 years, being estimated at 73.3 per cent of normal. An oats crop about 78,000,000 bushels smaller than last year was also indicated by the July 1 estimate.

The uncertainty as to the coming crop and continued moderate receipts, together with an active demand, were the principal strengthening factors in the corn market. Light offerings of old crop barley caused a firm market for this grain and all desirable offerings in the Central Western markets were readily taken. Stocks of old oats are fairly large and demand has been only of moderate volume. The higher prices of other grains had a strengthening influence and prices have moved upward $\frac{1}{2}$ cent per bushel.

G. A. Collier,

Grain, Hay and Feed Market News Service, B. A. E.

THE FLAX SITUATION

The flax market has strengthened materially since the 1st of July and prices of spot seed at Minneapolis July 22 were about 20 cents per bushel higher than at the 1st of the month. Light stocks, some improvement in the demand for oil, and prospects of a smaller crop than last year have been the principal strengthening factors.

The condition of the flax crop July 1 was only 73 per cent of normal and indicated a crop of about 20,000,000 bushels compared with 22,000,000 bushels produced last year. The acreage is about 5.6 per cent below that harvested last year and the indicated yield seems likely to be about 16 per cent less than average during the past five years.

Canadian crop conditions at the first of the month were also less favorable than last year and a crop of 8,419,000 bushels was forecast compared with 9,297,000 bushels produced last year. This, together with the probable decrease in the United States crop, would make a reduction of nearly 3,000,000 bushels in the North American supply of flax this year.

The old crop of flax in the United States has been nearly all marketed, about 20,000,000 bushels having been received to the middle of July at the principal markets. At the first of the month, however, about 1-1/3 million bushels were still in store at Minneapolis and Duluth and about 3,000,000 bushels were in store in the principal Canadian markets. The Argentine 1926 crop of flax was unusually large and this has been a weakening factor in the world market situation. The Argentine surplus, estimated at around 70,000,000 bushels has been moving rapidly, however, and exports for the crop year to the 1st of July amounted to around 45,000,000 bushels, about 11,000,000 bushels of which have been shipped to the United States. There was also a surplus of about 10,000,000 bushels from the Indian crop which is available in the world markets and of which about 2,000,000 bushels had been shipped to the middle of July.

With the prospective United States crop only about half of the domestic requirements, the surplus in Argentina has become a less burdensome market factor and prices at Buenos Aires have also made moderate advances. Flax for August shipment was quoted July 17 at that market at \$1.86½ and seed for September shipment at \$1.88. Cash flax at the same date was in strong demand at Minneapolis and No. 1 seed was selling at around \$2.51 to \$2.52 per bushel.

G. A. Collier,
Grain, Hay and Feed Market News Service, B. A. E.

RESULTS OF THE 1926 LAMB SURVEY

An increase of about 2,200,000 head, or 10 per cent, in the size of the 1926 lamb crop over that of 1925 is shown by the lamb survey made by the Department of Agriculture. This increase is due to an increase of 2,350,000 head, or 16 per cent, in the crop of the western lamb States. The crop in the native sheep States is about 138,000 or 2 per cent smaller than that of 1925.

The smaller size of the native lamb crop this year was due to the reduced percentage of lambs saved, since the estimated number of breeding ewes January 1, 1926, was 3 per cent larger than January 1, 1925. The large increase in the western States was due both to an increased number of breeding ewes, over 5 per cent, and a ratio of lambs saved to breeding ewes of 88 this year compared to 79 last. While all western States showed an increased ratio of lambs saved the most notable increases were in the southwestern States.

The number of ewe lambs being kept for breeding ewes on January 1, 1926, is shown as about 5,750,000 head. This number is 21 per cent of the number of breeding ewes over 1 year old at that date. In the native States the percentage is 19 and in the western 22. The percentages are more than sufficient for ordinary replacement of breeding ewes and indicate a continued tendency to expand breeding flocks.

| State and Division | Breeding Ewes over 1 year old, Jan. 1, in thousands | | Lambs saved per 100 ewes 1 yr. old & over, Jan. 1 | | Indicated lamb crop, in thousands | | Indicated number of ewe lambs being kept for breeding, Jan. 1, 1926, in thousands |
|----------------------|---|--------|---|-------|-----------------------------------|--------|---|
| | 1925 | 1926 | 1925 | 1926 | 1925 | 1926 | |
| Montana | 1,848 | 2,071 | 85.0 | 86.0 | 1,571 | 1,781 | 573 |
| Wyoming | 2,151 | 2,225 | 82.0 | 85.0 | 1,763 | 1,891 | 535 |
| Colorado | 878 | 921 | 84.0 | 88.0 | 735 | 810 | 119 |
| New Mexico | 1,575 | 1,675 | 60.0 | 82.0 | 945 | 1,373 | 427 |
| Arizona | 842 | 884 | 74.0 | 75.0 | 623 | 663 | 206 |
| Utah | 1,804 | 1,904 | 78.0 | 90.0 | 1,407 | 1,714 | 376 |
| Nevada | 849 | 936 | 78.0 | 90.0 | 662 | 842 | 158 |
| Idaho | 1,835 | 1,853 | 90.0 | 102.0 | 1,652 | 1,890 | 339 |
| Washington | 417 | 442 | 103.0 | 105.0 | 430 | 464 | 75 |
| Oregon | 1,462 | 1,558 | 85.0 | 92.0 | 1,243 | 1,433 | 390 |
| California | 2,000 | 2,060 | 88.0 | 92.0 | 1,760 | 1,895 | 361 |
| South Dakota | 468 | 497 | 82.0 | 84.0 | 383 | 418 | 112 |
| Texas | 2,070 | 2,079 | 60.0 | 82.0 | 1,246 | 1,705 | 485 |
| WESTERN SHEEP STATES | 18,199 | 19,105 | 79.2 | 88.3 | 14,420 | 16,879 | 4,206 |
| NATIVE SHEEP STATES | 7,784 | 8,029 | 99.9 | 95.2 | 7,778 | 7,640 | 1,553 |
| UNITED STATES | 25,983 | 27,134 | 85.4 | 90.3 | 22,198 | 24,519 | 5,759 |

CONDITIONS IN COLORADO

July 20th still finds Colorado in about the same general condition as on the first of the month, about three points above the ten-year average. The outlook is generally the best that has prevailed at this time of year for a number of years.

While spotted, good precipitation occurred in most sections of the State during June, and beneficial rains occurred in many sections thus far during July. Irrigation water has been plentiful under all irrigation systems, both for direct flow and reservoir storage supply. Irrigated crops are generally splendid, except where damaged by hail. More than the usual amount of hail has occurred thus far this season. It was particularly destructive in the Arkansas valley about the middle of June. Corn, beans, grain sorghums, and other late crops are making excellent progress.

Temperatures have been good for growing crops and no excessively long hot period. Winter wheat is being harvested in practically all sections east of the mountains. The crop is turning out good quality, though not as high a yield as expected. Sugar beets are farther advanced than usual for this time of year, and the crop is exceptionally promising. Potatoes are doing well in all sections except the early potato section in western Colorado where the crop has been affected badly by fusarium and ryhzoctonia. The fruit crops of the State all have prospect of good production. The cherry crop is now being harvested, and some loss may occur account of lack of sufficient pickers.

Lettuce, cabbage, and onions are doing well, and the harvest is well under way. The cantaloupe crop of the Arkansas valley was badly damaged by hail the middle of June; most of the injured crop was replanted, and the crop in general is very promising.

Pastures and ranges are in very satisfactory condition and all livestock better than average for this time of year. A good calf crop is in prospect and one of the largest lamb crops that has been obtained in years. Losses during the winter were light, and the wool crop is slightly heavier than last year. Financial conditions are gradually improving though not satisfactory for restocking.

W. W. Putnam,
State Statistician, B. A. E.